

**INTERNATIONAL SCHOOL
OF LOUISIANA**

June 30, 2005

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 6-7-06

Audit of Financial Statements

June 30, 2005

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To the Board of Directors
International School of Louisiana
New Orleans, Louisiana

Independent Auditors' Report

We have audited the accompanying statement of financial position of **INTERNATIONAL SCHOOL OF LOUISIANA** (the School), a nonprofit organization, as of June 30, 2005, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the School's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **INTERNATIONAL SCHOOL OF LOUISIANA** as of June 30, 2005, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

An audit was performed for the purpose of forming an opinion on the financial statements of **INTERNATIONAL SCHOOL OF LOUISIANA**. The accompanying supplemental information is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied to the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2006, on our consideration of **INTERNATIONAL SCHOOL OF LOUISIANA**'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

A Professional Accounting Corporation

March 21, 2006

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INTERNATIONAL SCHOOL OF LOUISIANA
STATEMENT OF FINANCIAL POSITION
June 30, 2005

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 298,548
Grants Receivable	16,974
Other Receivables	969
Prepaid Expenses	<u>12,767</u>

Total Current Assets 329,258

PROPERTY, PLANT AND EQUIPMENT

Land and Buildings	433,362
Computers and Equipment	109,912
Furniture and Fixtures	34,146
Leasehold Improvements	<u>82,359</u>

Total at Cost	659,779
Less Accumulated Depreciation	<u>(94,659)</u>

Net Property, Plant and Equipment 565,120

OTHER ASSETS

Deposits	<u>14,718</u>
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Total Assets \$ 909,096

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable	\$ 9,279
Accrued Payroll Liabilities	108,792
Current Maturities of Note Payable	391,591
Deferred Revenue	<u>40,998</u>

Total Current Liabilities 550,660

LONG-TERM LIABILITIES

Note Payable, Net of Current Portion	<u>82,343</u>
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Total Liabilities 633,003

NET ASSETS

Unrestricted	265,518
Temporarily Restricted	<u>10,575</u>

Total Net Assets 276,093

Total Liabilities and Net Assets \$ 909,096

The accompanying notes are an integral part of these financial statements.

INTERNATIONAL SCHOOL OF LOUISIANA
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2005

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUE, GAINS AND OTHER SUPPORT			
State Public School Funding	\$ 2,320,063	\$ -	\$ 2,320,063
Other State Funding	35,627	-	35,627
Federal Grants	1,300	-	1,300
School Food Service Reimbursement	72,677	-	72,677
Other Income	<u>375,833</u>	<u>3,889</u>	<u>379,722</u>
 Total Revenue, Gains and Other Support	 <u>2,805,500</u>	 <u>3,889</u>	 <u>2,809,389</u>
EXPENSES			
Program Services			
Regular Education Programs	1,510,358	-	1,510,358
Support Services			
School Administration	500,290	-	500,290
Operation and Maintenance of Plant	324,098	-	324,098
Food Service	208,955	-	208,955
General Administration	105,025	-	105,025
Instructional Staff Support	89,161	-	89,161
Community Service	36,274	-	36,274
Pupil Support	30,428	-	30,428
Debt Service - Interest	15,037	-	15,037
Business Services	4,604	-	4,604
Central Services	<u>1,154</u>	<u>-</u>	<u>1,154</u>
 Total Expenses	 <u>2,825,384</u>	 <u>-</u>	 <u>2,825,384</u>
 INCREASE (DECREASE) IN NET ASSETS	 (19,884)	 3,889	 (15,995)
 NET ASSETS, BEGINNING OF YEAR	 <u>285,402</u>	 <u>6,686</u>	 <u>292,088</u>
 NET ASSETS, END OF YEAR	 <u>\$ 265,518</u>	 <u>\$ 10,575</u>	 <u>\$ 276,093</u>

The accompanying notes are an integral part of these financial statements.

INTERNATIONAL SCHOOL OF LOUISIANA
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2005

CASH FLOWS FROM OPERATING ACTIVITIES:

Decrease in Net Assets	\$ (15,995)
Adjustments to Reconcile Decrease in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	34,396
Decrease in Grants Receivable	108,948
Increase in Other Receivables	(969)
Decrease in Prepaid Expenses	8,430
Increase in Accounts Payable	1,875
Increase in Accrued Payroll Liabilities	49,423
Increase in Deferred Revenue	<u>5,297</u>
 Total Adjustments	 <u>207,400</u>
 Net Cash Provided by Operating Activities	 <u>191,405</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of Fixed Assets and Land	<u>(469,637)</u>
 Net Cash Used in Investing Activities	 <u>(469,637)</u>

CASH FLOWS FROM FINANCING ACTIVITIES:

Proceeds from Notes Payable	382,500
Payments on Notes Payable	(9,091)
Payments on Capital Lease Obligations	<u>(5,555)</u>
 Net Cash Provided by Financing Activities	 <u>367,854</u>

NET INCREASE IN CASH AND CASH EQUIVALENTS	89,622
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>208,926</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 298,548</u>

The accompanying notes are an integral part of these financial statements.

INTERNATIONAL SCHOOL OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2005

NOTE A

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INTERNATIONAL SCHOOL OF LOUISIANA (the School) was created as a non-profit corporation under the laws of the State of Louisiana on December 13, 1999. The School entered into a Charter School Contract with the Louisiana State Board of Elementary and Secondary Education beginning March 20, 2000 under which the School operates a Type II charter school as defined in Louisiana Revised Statutes 17:3971, et seq. The School serves eligible students in kindergarten through fourth grade primarily from the parishes of Orleans, Jefferson, St. Tammany, St. Charles and St. Bernard.

A summary of the School's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

FINANCIAL STATEMENT PRESENTATION

The School follows the guidance of Statement of Financial Accounting Standards (SFAS) No. 117, *"Financial Statements of Not-for-Profit Organizations."* Under SFAS No. 117, the School is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. In addition, the School is required to present a statement of cash flows.

The School also follows the guidance of SFAS No. 116, *"Accounting for Contributions Received and Contributions Made,"* whereby contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the donor imposed time or purpose restrictions.

BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported on the financial statements. The financial statements of **INTERNATIONAL SCHOOL OF LOUISIANA** are prepared on the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

REVENUES

The School's primary source of funding is through the State Public School Fund. The School receives \$6,509 per eligible student in attendance on October 1, payable in monthly installments. The October 1 student count is audited by the Louisiana Department of Education. Adjustments are made in the following year. State and federal grants are on a cost reimbursement basis. Accrual is made when eligible expenses occur.

FIXED ASSETS AND DEPRECIATION

Fixed assets are recorded at historical cost or estimated historical cost if historical cost is not available. Betterments that naturally add to the value of related assets or materially extend the useful lives of assets are capitalized. Normal building maintenance and minor equipment purchases are included as expenses of the School.

INTERNATIONAL SCHOOL OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2005

NOTE A

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FIXED ASSETS AND DEPRECIATION (Continued)

Depreciation of fixed assets is calculated using the straight-line method over the estimated useful lives of the assets. The following are the estimated useful lives of the fixed assets of the School:

	<u>Useful Lives</u>
Leasehold Improvements	10 - 40
Computers and Equipment	5 - 7
Furniture and Fixtures	5 - 7

INCOME TAXES

The School is recognized by the Internal Revenue Service as a Section 501(c)(3) tax-exempt organization.

STATEMENT OF CASH FLOWS

For purposes of the Statement of Cash Flows, the School considers all investments purchased with an original maturity of three months or less to be cash equivalents.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CONCENTRATIONS

The School received 83% of its revenues in the year ended June 30, 2005 from the State of Louisiana subject to its charter school contract with the State. Financial instruments that potentially subject the School to concentrations of credit risk consist of cash in excess of federally insured limits of \$157,076.

NOTE B

CASH AND CASH EQUIVALENTS

As of June 30, 2005, cash consists of demand deposits in a local bank of \$298,548.

NOTE C

GRANTS RECEIVABLE

As of June 30, 2005, grants receivable consisted of amounts due from the following sources:

Teacher Fund Pay Supplement S/D	<u>\$ 16,974</u>
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INTERNATIONAL SCHOOL OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2005

NOTE D

NOTES PAYABLE

At June 30, 2005, the School was obligated under the following agreements:

Note payable to Qualified Zone Academy Bond dated February 1, 2002, payable in quarterly installments of \$2,273. The loan proceeds are advanced on a reimbursement basis for qualified expenditures made by the School up to \$125,000. As of June 30, 2005, \$120,980 has been advanced on this note. The note is non-interest bearing.	\$ 91,434
Demand note payable to Omni Bank dated March 1, 2005, payable in one principal payment of \$382,500 on March 1, 2006, with interest only payments at 5.75% due monthly. Secured by land and building.	<u>382,500</u>
	473,934
Due in One Year	<u>(391,591)</u>
	<u>\$ 82,343</u>

Principal payments required in future years as of June 30, 2005 are as follows:

Year Ending <u>June 30,</u>	
2006	\$ 391,591
2007	9,091
2008	9,091
2009	9,091
2010	9,091
Thereafter	<u>45,979</u>
Total	<u>\$ 473,934</u>

INTERNATIONAL SCHOOL OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2005

NOTE E

OPERATING LEASE COMMITMENTS

The School leases building space under an operating lease. The monthly rental for the building is \$6,000 monthly. The lease expires July 2005. On May 5, 2004, the School leased additional building space for \$6,109 monthly beginning August 1, 2004 through July 31, 2006. Rent expense amounted to \$145,977 for the year ended June 30, 2005. Both leases were cancelled subsequent to year end as the result of damages to both buildings caused by Hurricane Katrina.

NOTE F

INSURANCE COVERAGE

As of June 30, 2005, the School had the following insurance policies in effect:

<u>Type of Coverage</u>	<u>Expiration</u>	<u>Coverage Limits</u>
General Liability	August 4, 2005	Aggregate \$2,000,000 Each occur. \$1,000,000 Injury \$1,000,000
Workmen's Compensation	August 12, 2005	Statutory
Professional Liability	March 19, 2006	Aggregate \$1,000,000 Each occur. \$1,000,000
Property	August 4, 2005	Property \$1,000,000 Contents \$250,000

NOTE G

RETIREMENT PLANS

International School of Louisiana offers a defined contribution plan covering all employees upon the completion of 30 days of service with the School. Funding of the retirement plan is derived from two sources. The School contributes 6% of all covered employees' salaries annually. Also, all employees have the option to contribute up to the maximum as permitted under section 403(b) of the Internal Revenue Code to the plan through a payroll deduction at no expense to the School. Pension expense amounted to \$63,587 for the fiscal year ending June 30, 2005.

INTERNATIONAL SCHOOL OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2005

NOTE H

FIXED ASSETS

Depreciation expense for the year ended June 30, 2005 was \$34,396.

All assets acquired with Department of Education funds, are owned by the School, while used in the purpose for which they were purchased. The Department of Education, however, has a reversionary interest in these assets. Should the charter not be renewed, title in any assets purchased with those funds will transfer to the appropriate agency.

NOTE I

ADVERTISING

During the year ended June 30, 2005, the School incurred advertising costs of \$3,888, which was expensed.

NOTE J

CASH FLOW DISCLOSURE

During the year ended June 30, 2005, the School paid \$15,036 in interest, which was expensed.

NOTE K

RESTRICTED NET ASSETS

During the year ended June 30, 2005, the School received an additional \$3,889 in temporarily restricted net assets for a total of \$10,575. These assets are to be held in deposit accounts until each associated class graduates from the School.

NOTE L

HURRICANE KATRINA

On August 29, 2005, the School was severely impacted by Hurricane Katrina. The School's buildings and other property, as well as financial and other administrative records were destroyed in the floodwaters. The School had to be closed, but eventually reopened in a new location. However, enrollment was down significantly. At this time, the effects of the hurricane on the school and its future revenues cannot be determined.

**SCHEDULES REQUIRED BY LOUISIANA STATE LAW
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)**



**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES
TO THE MANAGEMENT OF INTERNATIONAL SCHOOL OF LOUISIANA**

To the Board of Directors
International School of Louisiana
New Orleans, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of **INTERNATIONAL SCHOOL OF LOUISIANA** and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of **INTERNATIONAL SCHOOL OF LOUISIANA** and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin. This agreed-upon procedures engagement was performed in accordance with standards established by the *American Institute of Certified Public Accountants and Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:
 - Total General Fund Instructional Expenditures
 - Total General Fund Equipment Expenditures
 - Total Local Taxation Revenue
 - Total Local Earnings on Investment in Real Property
 - Total State Revenue in Lieu of Taxes
 - Nonpublic Textbook Revenue
 - Nonpublic Transportation Revenue

Findings:

During our test of transactions, there were four invoices that could not be located due to the flood caused by Hurricane Katrina. However, the remaining items that were examined were classified and reported correctly.

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Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-Time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to School supporting payroll records as of October 1.
3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-Time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.
4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule. We traced each of the teachers to the individual's personnel file to determine if the individual's education level was properly classified on the schedule.

Findings:

None

Number and Type of Public Schools (Schedule 3)

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555) application.

Findings:

None

Experience of Public Principals and Full-Time Classroom Teachers (Schedule 4)

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

Findings:

None

Public Staff Data (Schedule 5)

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced each to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.

Findings:

None

8. We recalculated the average salaries and full-time equivalents reported in the schedule.

Findings:

None

Class Size Characteristics (Schedule 6)

9. These records were destroyed in the flood caused by Hurricane Katrina. We were not able to determine class size characteristics.

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule 7)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by **INTERNATIONAL SCHOOL OF LOUISIANA**.

Findings:

None

The Graduation Exit Exam for the 21st Century (Schedule 8)

11. Not applicable.

The IOWA Tests (Schedule 9)

12. Not applicable.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the **INTERNATIONAL SCHOOL OF LOUISIANA**, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



A Professional Accounting Corporation

March 21, 2006

**INTERNATIONAL SCHOOL OF LOUISIANA
SCHEDULES REQUIRED BY STATE LAW
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)
As of and for the Year Ended June 30, 2005**

Schedule 1 - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

Schedule 2 - Education Levels of Public School Staff

This schedule includes the certificated and uncertificated number and percentage of full-time classroom teachers and the number and percentage of principals and assistant principals with less than a Bachelor's; Master's; Master's +30; Specialist in Education; and Ph. D or Ed. D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 3 - Number and Type of Public Schools

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 4 - Experience of Public Principals and Full-Time Classroom Teachers

This schedule includes the number of years of experience in teaching for assistant principals, principals, and full-time classroom teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 5 - Public School Staff Data

This schedule includes average classroom teachers' salary using full-time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 6 - Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. These records were destroyed in the flood caused by Hurricane Katrina, therefore, this information could not be verified.

Schedule 7 - Louisiana Educational Assessment Program (LEAP)

This schedule represents student performance testing data and includes summary scores by district for grade 4 in each category tested. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory. This schedule includes one year of data because 2005 was the first year that third grade was offered.

Schedule 8 - The Graduation Exit Exam for the 21st Century

Not applicable.

Schedule 9 - The IOWA Tests

Not applicable.

INTERNATIONAL SCHOOL OF LOUISIANA
SCHEDULE 1
GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES
AND CERTAIN LOCAL REVENUE SOURCES
For the Year Ended June 30, 2005

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 1,187,534	
Other Instructional Staff Activities	-	
Employee Benefits	231,264	
Purchased Professional and Technical Services	-	
Instructional Materials and Supplies	91,560	
Instructional Equipment	-	
	<hr/>	
Total Teacher and Student Interaction Activities		\$ 1,510,358

Other Instructional Activities

Pupil Support Activities	30,428	
Less: Equipment for Pupil Support Activities	-	
	<hr/>	
Net Pupil Support Activities		30,428

Instructional Staff Services

Less: Equipment for Instructional Staff Services	89,161	
	-	
	<hr/>	
Net Instructional Staff Services		89,161

Total General Fund Instructional Expenditures \$ 1,629,947

Total General Fund Equipment Expenditures \$ -

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$ -
Renewable Ad Valorem Tax	-
Debt Service Ad Valorem Tax	-
Up to 1% of Collections by the Sheriff on Taxes	-
Other than School Taxes	-
Sales and Use Taxes	-
	<hr/>
Total Local Taxation Revenue	<u>\$ -</u>

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	-
Earnings from Other Real Property	\$ -
	<hr/>
Total Local Earnings on Investment in Real Property	<u>\$ -</u>

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$ -
Revenue Sharing - Other Taxes	-
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
	<hr/>
Total State Revenue in Lieu of Taxes	<u>\$ -</u>

Nonpublic Textbook Revenue \$ -

Nonpublic Transportation Revenue \$ -

INTERNATIONAL SCHOOL OF LOUISIANA
SCHEDULE 2
EDUCATION LEVELS OF PUBLIC SCHOOL STAFF
As of October 1, 2004

Category	Full-Time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree								
Bachelor's Degree	23	95.00 %	3	100.00 %				
Master's Degree	1	5.00 %			1	100.00 %	1	100.00 %
Master's Degree + 30								
Specialist in Education								
Ph. D. or Ed. D.	-	-	-	-	-	-	-	-
Total	23	100.00 %	3	100.00	1	100.00 %	1	100.00 %

**INTERNATIONAL SCHOOL OF LOUISIANA
SCHEDULE 3
NUMBER AND TYPE OF PUBLIC SCHOOLS
For the Year Ended June 30, 2005**

Type	Number
Elementary	1
Middle/Jr. High	0
Secondary	0
Combination	<u>0</u>
Total	<u>1</u>

INTERNATIONAL SCHOOL OF LOUISIANA
SCHEDULE 4
EXPERIENCE OF PUBLIC PRINCIPALS AND FULL-TIME CLASSROOM TEACHERS
As of October 1, 2004

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	1	0	0	0	0	1
Principals	0	0	0	0	0	0	1	1
Classroom Teachers	<u>1</u>	<u>4</u>	<u>16</u>	<u>1</u>	<u>0</u>	<u>2</u>	<u>1</u>	<u>25</u>
Total	<u>1</u>	<u>4</u>	<u>17</u>	<u>1</u>	<u>0</u>	<u>2</u>	<u>2</u>	<u>27</u>

INTERNATIONAL SCHOOL OF LOUISIANA
SCHEDULE 5
PUBLIC SCHOOL STAFF DATA
For the Year Ended June 30, 2005

	<u>All Classroom Teachers</u>	<u>Classroom Teachers Excluding ROTC and Rehired Retirees</u>
Average Classroom Teachers' Salary Including Extra Compensation	33,167	33,167
Average Classroom Teachers' Salary Excluding Extra Compensation	31,613	31,613
Number of Teacher Full-Time Equivalents (FTEs) Used in Computation of Average Salaries	27.3	27.3

INTERNATIONAL SCHOOL OF LOUISIANA
SCHEDULE 6
CLASS SIZE CHARACTERISTICS
As of October 1, 2004

These records were destroyed in the flood caused by Hurricane Katrina, therefore, this information could not be verified.

INTERNATIONAL SCHOOL OF LOUISIANA
SCHEDULE 7
LOUISIANA EDUCATIONAL ASSESSMENT PROGRAM (LEAP)
FOR THE 21ST CENTURY
For the Year Ended June 30, 2005

District Achievement Level Results	English Language Arts			Mathematics		
	2005	2004	2003	2005	2004	2003
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 4						
Advanced	14%	N/A	N/A	3%	N/A	N/A
Mastery	24%	N/A	N/A	14%	N/A	N/A
Basic	43%	N/A	N/A	43%	N/A	N/A
Approaching Basic	16%	N/A	N/A	24%	N/A	N/A
Unsatisfactory	3%	N/A	N/A	16%	N/A	N/A
Total	100%	N/A	N/A	100%	N/A	N/A

District Achievement Level Results	Science			Social Studies		
	2005	2004	2003	2005	2004	2003
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 4						
Advanced	3%	N/A	N/A	0%	N/A	N/A
Mastery	11%	N/A	N/A	14%	N/A	N/A
Basic	59%	N/A	N/A	57%	N/A	N/A
Approaching Basic	22%	N/A	N/A	24%	N/A	N/A
Unsatisfactory	5%	N/A	N/A	5%	N/A	N/A
Total	100%	N/A	N/A	100%	N/A	N/A

**INTERNATIONAL SCHOOL OF LOUISIANA
SCHEDULE 8
THE GRADUATION EXIT EXAM FOR THE 21ST CENTURY
For the Year Ended June 30, 2005**

This schedule does not apply to **INTERNATIONAL SCHOOL OF LOUISIANA.**

**INTERNATIONAL SCHOOL OF LOUISIANA
SCHEDULE 9
THE IOWA TESTS
For the Year Ended June 30, 2005**

This schedule does not apply to **INTERNATIONAL SCHOOL OF LOUISIANA.**

SUPPLEMENTAL INFORMATION

**INTERNATIONAL SCHOOL OF LOUISIANA
SCHEDULE OF BOARD OF TRUSTEES
June 30, 2005**

<u>BOARD MEMBERS</u>	<u>COMPENSATION</u>
Maria R. Treffinger, Esq. 2817 Grand Route St. John New Orleans, LA 70119	-0-
Shelley S. Midura 83 Flamingo Court New Orleans, LA 70124	-0-
Jose Miranda 822 Ida Place New Orleans, LA 70119	-0-
Mary Freiberg 1736 Robert Street New Orleans, LA 70118	-0-
Erico Sterling 2530 Illinois Avenue, Apt. B Kenner, LA 70062	-0-
Andre Stern 4506 Saint Charles Avenue, Apt. H New Orleans, LA 70115	-0-
Monica Ramsey 10028 Idlewood Place River Ridge, LA 70123	-0-
Gina Warner 816 W. 25th Avenue Covington, LA 70433	-0-
Carolyn Chandler P.O. Box 56119 Metairie, LA 70055	-0-



LAPORTE SEHRT
ROMIG HAND
CERTIFIED PUBLIC ACCOUNTANTS

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
International School of Louisiana
New Orleans, Louisiana

We have audited the financial statements of **INTERNATIONAL SCHOOL OF LOUISIANA** (a nonprofit organization) as of and for the year ended June 30, 2005, and have issued our report thereon dated March 21, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered **INTERNATIONAL SCHOOL OF LOUISIANA's** internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether **INTERNATIONAL SCHOOL OF LOUISIANA's** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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RSM McGladrey Network
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This report is intended solely for the information and use of management, the Board of Directors, the Louisiana Legislative Auditor and the Louisiana Department of Education and is not intended to be, and should not be, used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



A Professional Accounting Corporation

March 21, 2006